Central University of Science & Technology

CUST

Purchase Policy

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(CUST)

Purchase Policy

Purchase Policy & Purchase Committee

Part A: Purchase Policy

1. **Purpose**. The purpose of this Purchase Policy is to ensure that all procurement activities of CUST are conducted in a transparent, economical, efficient, and accountable manner, ensuring value for money and compliance with applicable rules and regulations.

2. **Objectives**. The objectives are to:

   a. Ensure fair and transparent procurement.

   b. Ensure the best value for money.

   c. Ensure quality goods and services.

   d. Maintain proper documentation.

   e. Prevent fraud, favoritism, and misuse.

   f. Ensure audit and regulatory compliance.

3. **Scope**. This policy applies to procurement of:

   a. Equipment

   b. Furniture

   c. Computers and IT equipment

   d. Books and library resources

   e. Laboratory equipment

   f. Office supplies

   g. Services (maintenance, consultancy, etc.)

   h. Minor construction and renovation work

4. **Procurement Authority**. The procurement process of the University is carried out through different authorities, each assigned specific responsibilities to ensure transparency, accountability, and proper financial control. The roles of the concerned authorities are outlined below:

Authority	Responsibility
Board of Trustees	Approve major purchases and policy
Vice Chancellor	Approve major purchases within authority
Treasurer	Financial control and approval
Purchase Committee	Evaluate and recommend purchases
Finance & Accounts	Process payments
Department Heads	Initiate purchase requisition

5. **Procurement Methods and Financial Limits**. To ensure transparency, financial discipline, and value for money in purchasing goods and services, the University shall follow specific procurement methods based on defined financial limits. The applicable methods and approval requirements are outlined below.

a. **Direct Purchase**. For small-value procurements, the University should follow the direct purchase method within the financial limit specified below.

Amount	Method	Approval	Requirements
Up to BDT 25,000	Direct purchase	Treasurer	Ensuring minimum price along with submission of proper bill and voucher

b. **Quotation Method**. For procurements falling within the following financial range, the University shall circulate through University Notice Board to obtain minimum three written quotations from different suppliers to ensure competitive price and transparency. Based on written quotations from suppliers, a comparative statement will be prepared and submitted along with the Purchase Committee's recommendation.

Amount	Method	Approval
BDT 25,001 to BDT 10,00,000	Minimum 3 quotations	Purchase Committee

c. **Tender Method**. For procurements exceeding the specified financial limit, the University shall follow the open tender method to ensure transparency, fairness, and competitive selection of suppliers, including issuance of a tender notice, technical and financial evaluation of bids, and proper documentation of the entire procurement process.

Amount	Method	Approval
Above BDT 10,00,000	Open tender	Purchase Committee + VC + BoT

6. **Purchase Procedures**. To ensure a transparent, systematic, and accountable procurement process, the University shall follow the step-by-step purchase procedures outlined below.

a. **Step 1: Purchase Requisition**. The procurement process shall begin with the submission of a purchase requisition by the concerned department including the following information:

(1) Item description

(2) Quantity

(3) Justification

(4) Estimated cost

b. **Step 2: Approval of Requisition**. The submitted requisition shall be reviewed and approved by the competent authorities as follows:

(1) Department/office head

(2) Director Finance and Accounts

(3) Treasurer

(4) Vice Chancellor

c. **Step 3: Collection of Quotation/Tender**. After approval of the requisition, the Purchase Section shall collect quotations or invite tenders in accordance with the applicable procurement method.

d. **Step 4: Evaluation**. The Purchase Committee shall evaluate the received quotations or bids based on the following criteria:

(1) Price

(2) Quality

(3) Specification

(4) Supplier reputation

(5) Warranty and service

Lowest price is not the only criteria; best value shall be considered.

e S**tep 5: Purchase Order**. After completion of the evaluation and approval by the competent authority, a formal Purchase Order shall be issued to the selected supplier.

f. **Step 6: Receiving of Goods**. Upon delivery, the receiving committee or concerned department shall verify the goods and record the receipt.

(1) Verify quantity

(2) Verify quality

(3) Prepare receiving report

g. **Step 7: Payment**. After proper verification and confirmation of receipt of goods, the Finance & Accounts Office shall process the payment in accordance with the approved procedures.

(1) Invoice verification

(2) Receiving confirmation

(3) Approval by authority

7. **Emergency Purchase**. In cases of urgent necessity where normal procurement procedures cannot be followed due to time constraints, emergency purchases may be approved by the following authorities:

a. Vice Chancellor

b. Pro Vice Chancellor

c. Treasurer

However, all such emergency purchases must subsequently be reported to the Purchase Committee for record and review.

8. **Documentation**. To ensure transparency, accountability, and proper audit trail, the University shall maintain complete records of all procurement activities, including the following documents:

a. Requisition
b. Quotations/tender documents
c. Comparative statement
d. Committee resolution
e. Purchase order

f. Invoice

g. Receiving report

h. Payment voucher

9. **Ethical Standards**. All personnel involved in the procurement process are required to uphold the highest ethical standards by maintaining integrity, avoiding conflicts of interest, ensuring fairness, and preserving confidentiality throughout all procurement activities.

Part B: Purchase Committee Structure

10. **Formation of Purchase Committee**. A Purchase Committee shall be constituted to oversee procurement activities and ensure transparency, accountability, and adherence to the University's procurement policies.

11. **Composition of Purchase Committee**. The Purchase Committee shall function with the following composition to ensure proper oversight, accountability, and transparency in all procurement processes.

Sl	Position in Committee	Designation	Notes / Clarifications
1	Chairman	Vice Chancellor (VC)	Provides overall oversight and final decision authority.
2	Member	Treasurer	Ensures financial compliance and budgetary control.
3	Member	Registrar	Provides administrative oversight and procedural compliance.
4	Member	Concerned Dean	Represents academic interest; must declare any conflict of interest.
5	Member	Head of Concerned Department	Provides technical input; must declare any conflict of interest.
6	Member	Member, BOT, CUST	Md. Saiful Islam, Provides technical input and give expert opinion
7	Member	Facility Manger	Provides technical input and give expert opinion
8	Member Secretary	Director, Finance & Accounts	Records minutes, ensures documentation, and monitors compliance.

12. **Roles and Responsibilities**. The Purchase Committee shall be responsible for overseeing the procurement process, including reviewing purchase requisitions, evaluating quotations or tenders, preparing comparative statements, selecting suitable suppliers,

recommending procurements, ensuring transparency, and maintaining proper procurement records.

13. **Meeting and Quorum**. The Purchase Committee shall hold meetings with a minimum of four members, including the Chairman, to conduct its business. Decisions shall be made by majority vote, and the Member Secretary shall be responsible for recording the minutes of each meeting.

14. **Approval Authority after Committee Recommendation**. Following the Purchase Committee's recommendation, the final approval for procurement shall be granted based on the financial limits specified, ensuring proper oversight and accountability.

Amount	**Final Approval**
Up to BDT 10,00,000	Vice Chancellor
Above BDT 10,00,000	Vice Chancellor + BOT

15. **Record Keeping**. All records shall be preserved for minimum 7 years for audit and inspection.

16. **Policy Effective Date**. This Purchase Policy and Committee shall be effective upon approval.